

**I. How do scarcity and competition influence decision-making at the personal, business, and government levels?**

- D.12.2 Use basic economic concepts (such as supply and demand; production, distribution, and consumption; labor, wages, and capital; inflation and deflation; market economy and command economy) to compare and contrast local, regional, and national economies across time and at the present time
- D.12.10 Analyze the ways in which supply and demand, competition, prices, incentives, and profits influence what is produced and distributed in a competitive market system
- D.12.12 Compare and contrast how values and beliefs, such as economic freedom, economic efficiency, equity, full employment, price stability, security, and growth, influence decisions in different economic systems

**II. What causes change in the U.S. economy?**

- D.12.1 Explain how decisions about spending and production made by households, businesses, and governments determine the nation's levels of income, employment, and prices
- D.12.3 Analyze and evaluate the role of Wisconsin and the United States in the world economy
- D.12.4 Explain and evaluate the effects of new technology, global economic interdependence, and competition on the development of national policies and on the lives of individuals and families in the United States and the world
- D.12.5 Explain how federal budgetary policy and the Federal Reserve System's monetary policies influence overall levels of employment, interest rates, production, and prices
- D.12.6 Use economic concepts to analyze historical and contemporary questions about economic development in the United States and the world
- D.12.14 Analyze the economic roles of institutions, such as corporations and businesses, banks, labor unions, and the Federal Reserve System

**III. How do different economic systems and trade policies impact a person's way of life/standard of living?**

- D.12.7 Compare, contrast, and evaluate different types of economies (traditional, command, market, and mixed), and analyze how they have been affected in the past by specific social and political systems and important historical events
- D.12.8 Explain the basic characteristics of international trade, including absolute and comparative advantage, barriers to trade, exchange rates, and balance of trade
- D.12.13 Describe and explain global economic interdependence and competition, using examples to illustrate their influence on national and international policies

**IV. What role should government play in the potential regulation of an economy?**

- D.12.9 Explain the operations of common financial instruments (such as stocks and bonds) and financial institutions (such as credit companies, banks, and insurance companies)
- D.12.11 Explain how interest rates are determined by market forces that influence the amount of borrowing and saving done by investors, consumers, and government officials